

MEDIA RELEASE

RELIANCE CAPITAL REPORTS CONSOLIDATED NET PROFIT OF RS.1,009 CRORES (US\$ 251 MILLION) FOR THE YEAR – AN INCREASE OF 43%

RELIANCE CAPITAL REPORTS CONSOLIDATED TOTAL INCOME OF RS. 4,919 CRORES (US\$ 1.2 BILLION) FOR THE YEAR – AN INCREASE OF 128%

RELIANCE CAPITAL REPORTS CONSOLIDATED NET PROFIT OF RS. 366 CRORES (US\$ 92 MILLION) FOR THE QUARTER – AN INCREASE OF 19%

RELIANCE CAPITAL REPORTS CONSOLIDATED TOTAL INCOME OF RS. 1,635 CRORES (US\$ 411 MILLION) FOR THE QUARTER – AN INCREASE OF 97%

TOTAL ASSETS OF RS. 16,371 CRORES (US\$ 4.1 BILLION) – AN INCREASE OF 142%

NET WORTH OF RS. 6,086 CRORES (US\$ 1.5 BILLION) – RANKS AMONG THE TOP 3 INDIAN PRIVATE SECTOR FINANCIAL SERVICES GROUPS

RELIANCE CAPITAL RAISES DIVIDEND FROM 35% TO 55%

Mumbai, April 29, 2008: Reliance Capital Limited (RCL) today announced its audited financial results for the year ended March 31, 2008. The performance highlights are:

Consolidated – Year ended March 31, 2008

- **Total income of Rs 4,919 crores (US\$ 1.2 billion), against Rs 2,158 crores in the corresponding period, an increase of 128%**
- **Net profit of Rs 1,009 crores (US\$ 251 million), against Rs 703 crores in the corresponding period, an increase of 43%**
- **Earnings per share of Rs. 41.08 (US\$ 1.02), against Rs 30.73 in the corresponding period, an increase of 34%**

Consolidated – Quarter ended March 31, 2008

- **Total income of Rs 1,635 crores (US\$ 411 million), against Rs 829 crores in the corresponding period, an increase of 97%**
- **Net profit of Rs 366 crores (US\$ 92 million), against Rs 306 crores in the corresponding period, an increase of 19%**
- **Earnings per share of Rs 15.02 (US\$ 0.37) as against Rs 13.44 in the corresponding period, an increase of 12%**

Standalone – Year ended March 31, 2008

- **Total Income of Rs 2,080 crores (US\$ 517 million), against Rs 884 crores in the corresponding previous period, an increase of 135%**
- **Net Profit of Rs 1,025 crores (US\$ 255 million), against Rs 646 crores in the corresponding previous period, an increase of 59%**
- **Earning per share (EPS) of Rs 41.75 (US\$ 1.04), against Rs 28.39 in the corresponding period previous year, an increase of 47%**

Standalone – Quarter ended March 31, 2008

- **Total Income of Rs 799 crores** (US\$ 201 million), against Rs.407 crores in the corresponding previous period, **an increase of 96%**
- **Net Profit of Rs 386 crores** (US\$ 97 million), against Rs.312 crores in the corresponding previous period, **an increase of 24%**
- **Earning per share (EPS) of Rs 15.74** (US\$ 0.39), against Rs.13.7 in the corresponding period previous year, **an increase of 15%**
- **Total Assets of the company stood at Rs 16,371 crores** (US\$ 4.1 billion), an increase of 142% over the previous year.

At the meeting held today, the **Board has approved payment of dividend of Rs.5.50 per share on a capital base of Rs. 246.16 crores**. The dividend payout has increased by 58% from Rs. 100 crores to Rs. 158 crores (US\$ 40 million) for the year ended March 31, 2008

Net worth:

As on March 31, 2008, the **net worth of the company stood at Rs 6,086 crores (US\$ 1.5 billion)**.

The company ranks among the top 3 Indian private sector financial services groups in terms of net worth.

Credit Rating:

The Company has a debt equity ratio of 1.5 as on March 31, 2008, and enjoys the highest top-end ratings of 'A1+' and 'F1+' by ICRA and FITCH, respectively.

Operational Review:

As on March 31, 2008, the **total assets of the company stood at Rs 16,371 crores (US\$ 4.1 billion)**, an increase of 142% over the previous year.

The investment portfolio as on March 31, 2008, amounted to Rs. 4,715 crores (US\$ 1.2 billion), at cost.

The company has **not raised any fixed deposits** from the public.

During the year, the **number of employees** increased more than three fold from 6,127 to **21,823**.

Commenting on the results, Mr. Anil D. Ambani, Chairman, Reliance Capital Limited said:

"We are delighted that Reliance Capital crossed the US\$ 1 billion (Rs.4,000 crores) mark in revenues and Rs.1,000 crores (US\$ 250 million) mark in net profits, during the year. Our leadership position across different businesses, provides us an unprecedented platform for substantial growth in the future."

Group Companies:

Reliance Mutual Fund (RMF)

Reliance Capital Asset Management (RCAM)

- **Reliance Mutual Fund (RMF) is the No. 1 Mutual Fund in the country.** The **assets under management**, increased to **Rs 90,938 crores (US\$ 22.75 billion)** as on March 31, 2008 from Rs 46,307 crores as on March 31, 2007, **an increase of 96%**. During the same period the AUM of the entire Indian mutual fund industry increased from Rs. 324,737 crores to Rs. 528,935 crores, growth of 63%
- RMF further cemented its leadership position by increasing its market share to 17% at the end of March 2008 from 14% at the end of March 2007. The market share of the second largest mutual player as on March 31, 2008 is 10%
- Number of investors in RMF increased to **63.87 lakhs** as on March 31, 2008 against **32.27 lakhs** as on March 31, 2007, highest amongst the private sector mutual funds
- **The net profit of RCAM was Rs. 150 crores (US\$ 37 million) for the year, an increase of 210 %**
- During 2007-08, 10 new schemes were launched and as on March 31, 2008 there were a total of 38 schemes comprising 15 equity oriented schemes, 22 debt oriented schemes and 1 gold exchange traded fund
- RMF had a presence across 279 locations as on March 31, 2008 as against 100 locations as on March 31, 2007
- During the year, RMF won the **"Fund House of the Year"** award in the Equity category according to a survey by ICRA Online Ltd. RMF has also won the **"Most Trusted Mutual Fund Brand"** for the second year, in succession by Economic Times - AC Nielsen ORG-MARG survey

Reliance Life Insurance

- **Reliance Life Insurance is amongst the top four** (in terms of monthly new business premium) **private sector life insurance companies in India**
- The **New Business Premium Income** was **Rs 2,754 crores (US\$ 684 million)** for the year as against Rs. 932 crores in the previous year, **an increase of 195%**.
- **Total number of policies** in force as on March 31, 2008 were **14,48,200** as against 5,15,680 as on March 31, 2007, an increase of 181%
- During the year, 4 new schemes were launched, Reliance Wealth + Health plan; Reliance Secured Child Plan, Reliance Automatic Investment Plan and Reliance Total Investment Plan. Reliance Life offers 26 products, of which 21 are targeted at individuals and 5 at group business
- **The distribution network** was increased to **744 branches** at the end of March 31, 2008 against 156 branches at the end of March 31, 2007
- **The number of agents** at the end of the year was as **184,201** as against 95,711 agents at the end of the previous year, an increase of 92%
- The policyholders funds under management increased to Rs.3,284 crores as at March 31, 2008 against Rs. 1,802 crores as at March 31, 2007

Reliance General Insurance

- **Reliance General Insurance is amongst the top three** (in terms of monthly gross written premium) **private sector General insurance companies in India**
- **Gross Direct Premium** for the year ended March 31, 2008 was **Rs 1,946 crores (US\$ 484 million)** as against Rs. 912 crores in the corresponding previous period, **an increase of 113%**
- The distribution network has increased to 218 branches at the end of March 31, 2008 as against 85 branches at the end of March 31, 2007
- Reliance General Insurance (RGI) offers auto insurance, health insurance, home insurance, property insurance, travel insurance, marine insurance, commercial insurance and other speciality insurance products.

Reliance Money

- **Reliance Money is the largest brokerage and distributor of financial products in India with more than 2 million customers and the largest distribution network**
- Reliance Money formally commenced operations in April 2007. Reliance Money generated revenues of Rs.239 crores and has achieved break even in the first year of operations
- Reliance Money is a comprehensive financial services and solutions provider, providing customers with access to equities, equity options and commodities futures, mutual funds, IPOs, life and general insurance products, offshore investments and credit cards
- As on March 31, 2008, Reliance Money had a **distribution network of over 8,500 outlets in over 4,250 locations**
- The **average daily volume** on the stock exchanges is **Rs. 2,000 crores**, representing approximately **3% of the total stock exchange volume**

Reliance Consumer Finance

- Reliance Consumer Finance marks the entry of Reliance Capital into the expanding consumer finance segment with a wide range of products which include Personal loans, Vehicle loans (car and commercial), Home loans, Loan against property and SME loans.
- Reliance Consumer Finance commenced operations in May 2007
- As on March 31, 2008, the loan book size was of **Rs.7,120 crores (US \$ 1.8 billion)**

Other Businesses

In February 2008, RCL received approval from Reserve Bank of India to commence the business of asset reconstruction. RCL will have 49% shareholding in Reliance Asset Reconstruction Company Ltd. (RARC) The other shareholders include two FIIs - Dacecroft (a FII promoted by leading International Investor George Soros) and Blue Ridge and domestic institutions - General Insurance Corporation of India, Corporation Bank and Indian Bank. RARC will commence operations in the current financial year.

Shareholding Pattern as on March 31, 2008:

Category	No. of Shares	Shareholding (%)
Reliance Anil Dhirubhai Ambani Group	13,11,31,996	53.4
Foreign Investors – FIIs, GDRs, NRIs and others	6,75,69,476	27.5
Domestic institutions/ Banks/ Mutual Funds	75,30,146	3.1
Indian public – 1.3 million shareholders	3,94,01,182	16.0
TOTAL	24,56,32,800	100

Share price performance during the year 2007-08:

Particulars	March 31, 2008	March 30, 2007	% Change
Reliance Capital (Rs.)	1,229.50	668.05	84%
BSE Sensex	15,644.44	13,072.10	20%
NSE Nifty	4,734.50	3,821.55	24%

Background:

Reliance Capital Ltd is a part of the Reliance - Anil Dhirubhai Ambani Group and is now ranked among the 25 most valuable private companies in India and is a Forbes Global 2000 company (World's 2000 largest public companies).

The Reliance Anil Dhirubhai Ambani Group currently has a market capitalization of over Rs.3,00,000 crores (US\$ 75 billion), net worth in excess of Rs. 55,000 crores (US\$ 14 billion), cash flows of Rs. 11,000 crores (US\$ 2.8 billion), net profit of Rs. 7,000 crores (US\$ 1.7 billion) and zero net debt.

Reliance Capital is one of India's leading and fastest growing private sector financial services companies, and ranks among the top 3 private sector financial services and banking groups, in terms of net worth.

Reliance Capital has interests in asset management and mutual funds, life and general insurance, private equity and proprietary investments, stock broking, depository services, distribution of financial products, consumer finance and other activities in financial services.